Review of Taxation Structure

195. SHRI MAHENDRA PRASAD:
SHRI MURLIDHAR CHANDRAKANT BHANDARE

Will the Minister of FINANCE be pleased to state:

(a) whether in a recent review of taxation structure it has been observed that the present high rate of income-tax has adversely affected the generation of savings by non-Government sectors; and

(b) if so, what are the details of small savings generated during each of the last three years and during the current year so far?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b) Governments economic policies are under constant review to meet the demands of the emerging situation. Data in respect of savings by non-government sectors and figures of gross and net collections under the small savings schemes for the last 3 years and during the current year, upto December, 1988, are given below:

(Rs. crores)

Savings (Gross)	Household Sector	Private Corporate Sector
1985-86 (P) 1986-87 (P) 1987-88 (Q) P: Provisional Q: Quick estimate.	44,440 50,484 54,773	5,065 4,924 5,684

Collections under small savings

	Gross	Net
1985-86	8,431	4,292
1986-87	8,130	3,276
1987-88	9;504	3,634
1988-89 (Upto Dec.)	7,950	2,865